

because of the differences in income levels and consumption patterns between the Smithfield trade areas and the State average. These adjustments are partly judgmental, based on observation of Smithfield stores and their trade area, experience of comparable areas elsewhere, and published studies of rural and small city consumption patterns. The resulting estimates, and the steps which follow, are shown in the four tables which form the appendix to this chapter. The 1958 table in this series constitutes a mathematical model which can be checked against the known results provided by the Census of Business. Thus it is essentially a check on the judgments and assumptions of the analyst, including delineation of the trade area and all of the subsequent steps. Having shown that this model of consumer behavior does correspond to reality, insofar as the reality can be known, we may proceed to apply similar judgments to estimate the unknown present, 1964, and the future, 1970 and 1980, sales.

The steps shown in the appendix tables are as follows: the population in a trade area times per capita expenditures in a given type of store equals the gross sales potential for all of the stores of this type which serve the trade area. No single shopping area can expect to capture all of this sales potential, however. Some of these expenditures by trade area residents will be made outside of the Smithfield trade areas in Raleigh, Goldsboro, Wilson, Dunn, Clayton, and other places whose trade areas overlap those of Smithfield, and in more distant places like Richmond, Charlotte, and resort towns. The "Trade Area Share", shown in the appendix tables, is the percentage of trade area residents' expenditures which are made within the Smithfield Trade Area. The "Smithfield Downtown Share" is the difference between the "Trade Area Share" and the expenditures in the other towns within the trade area and in Smithfield stores outside of downtown. The "Smithfield Downtown Sales" are the trade area